

**FEDERAL PERKINS STUDENT LOAN PROGRAM
NATIONAL DIRECT STUDENT LOAN****Statement of Rights and Responsibilities**

This loan is a serious financial obligation entailing legalities stipulated within the Promissory Note. Extreme caution should be exercised in the application and request of this loan and therefore, it is important that you understand your rights as well your responsibilities. When you, the student borrower, sign this statement, it means and implies that you fully and clearly comprehend these rights and responsibilities and as such agree to honor them.

I fully and completely understand that I must, without exception, report any of the following changes and/or information to:

[School Financial Aid Office Address Here]

[School Telephone Number Here]

If I withdraw, am dropped, or transfer from [School Name Here].

If I drop my academic credits below half-time status.

Any local or permanent home address changes.

If my name and/or social security number changes.

If I become eligible for a deferment or cancellation as described below.

I understand that the maximum amount of Federal Perkins and National Direct Student Loans an eligible student may borrow is \$4,000 annually for an undergraduate student and \$6,000 for a graduate or professional student. The aggregate unpaid principal amount of all Federal Perkins and National Direct Student Loans received by an eligible student may not exceed \$20,000 for a student who has successfully completed two years of a program leading to a bachelor's degree but who has not received the degree; \$40,000 for a graduate or professional student; and \$8,000 for any other student.

I understand that when I graduate, I must complete an "exit interview" with the [Name of Financial Aid Office Here]. If I, transfer, withdraw, or reduce my academic credits below half-time status, arrangements for an exit interview must be made with the [Name of Financial Aid Office Here]. Failure to complete an "exit interview" may result in holds being placed on my transcripts, diploma, or future registration. I also understand that failure to supply personal references may result in holds being placed on my transcripts, diploma, or future registration.

I understand that scheduled repayment may be deferred (postponed) if I have submitted proof (Deferment of Repayment forms obtainable from the [Name of Financial Aid Office Here]) of my inability to find full-time employment, suffering an economic hardship, engaging in a service described under section (6), being at least a half-time student, pursuing a course of study in an approved graduate fellowship program, graduate/post graduate fellowship program outside the United States or rehabilitation training program.

I understand that the [Name of Financial Aid Office Here] of The [School Name Here] must grant me forbearance of principal and interest, renewable at twelve (12) month intervals for a period not to exceed three (3) years, if my annual Title IV loan repayment obligation equals or exceeds twenty (20) percent of my gross income. I understand I may otherwise qualify for a forbearance, as determined by [Name of Financial Aid Office Here].

I understand that upon submission of written proof of permanent 100% disability, my loan will be canceled. If my disability discharge claim is approved by the [Name of Financial Aid Office Here] on or after July 1, 2002, this loan will be assigned to the United States Department of Education, which will discharge the total amount owed on this loan if it determines that I am eligible for a total and permanent disability discharge. My death also cancels the loan (acceptable proof is a certified copy of the death certificate).

I understand that partial and/or full cancellation of my loan is possible provided that I am a full-time special education teacher, full-time teacher of any field of expertise that is determined by the state education agency to have a shortage of qualified teachers, a full-time nurse or medical technician, full-time employee of a child or family service agency for high-risk children and their families from low-income communities, a full-time teacher for a school that has a high number of students from low-income families, full-time staff member of the Head Start Program, full-time law enforcement officers.

I understand that I must acknowledge and answer promptly any communication from the [Name of Financial Aid Office Here] concerning my loan.

I understand I may prepay my loan at any time without penalty or premium. (It is suggested that you contact the [Name of

Financial Aid Office Here] for the exact payoff amount).

I hereby authorize **[School Name Here]** and any collection agency or legal counsel under its direction to contact any school that I may attend or have attended to obtain information concerning my student status, my year of matriculation, my classification, my dates of attendance, graduation or withdrawal, my transfer to another school and the name of that school, and my current address.

I also understand and agree to authorize **[School Name Here]** to take whatever legal action that would be necessary to secure repayment of my loan thereby showing "due diligence" in collecting.
